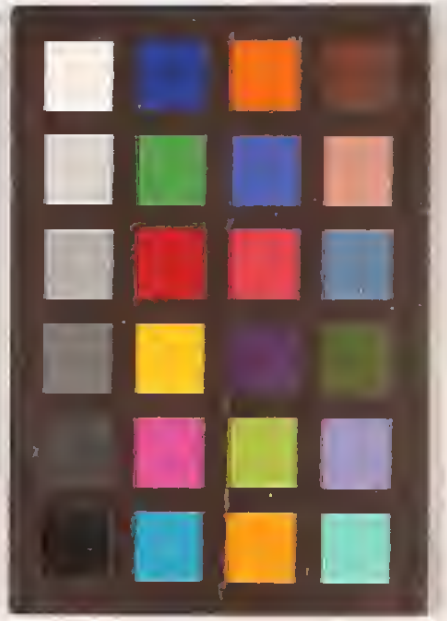
Cliff House · Sutro Baths Acquisition Study

SAN FRANCISCO DEPARTMENT OF CITY PLANNING · October 1967



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CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF CITY PLANNING
PLANNING DIVISION · OCTOBER 1967

Contents

Introduction

Purpose

The purpose of the Cliff House-Sutro Baths Acquisition Study is to examine the desirability and feasibility of City acquisition of privately owned property in the area of Point Lobos, this property to be used as public open space.

Secondly, if acquisition is desirable, this study is to make recommendations on the financial means of accomplishing this acquisition and subsequent park development of the property for public use.

Authorization

The Cliff House-Sutro Baths Acquisition Study was authorized by the City Planning Commission through two official actions, which are as follows:

At a special Capital Improvements Program meeting on December 9, 1966, the City Planning Commission adopted a policy by which it recommended:

> "It is recommended that the Recreation and Parks Department investigate the feasibility of acquiring adjacent privately-owned property so as to assemble a parcel of optimal size for public use and development as a companion measure to projects 656.67.124, 125, and 127."

Secondly, at that same meeting the City Planning Commission requested the Department of City Planning staff to investigate the possibility of City acquisition of privately-owned property in the area of Point Lobos.

Scope

The scope of this study is basically as follows:

First is a comprehensive analysis of the property, including both a definition of the physical-environmental characteristics of the property and an examination of the various uses of the property relative to its current developmental status.

This analysis is followed by a more general consideration of public interest and necessity involved in the purchase of this property for park and recreational purposes.

The justification for public acquisition of this property, as established by a consideration of public interest and necessity, is followed by the specific Department of City Planning staff recommendation, including a recommended effectuation procedure. Complementing this recommended effectuation procedure is a real estate analysis and a consideration of the means of funding the proposed public acquisition.

Finally the study provides a proposal for the development of the property as a public seaside park upon accomplishing public acquisition.

Comprehensive Property Analysis

Foldout

Environmental Relationships

The privately-owned property which is being studied in this report possesses a vital relationship to the public lands and natural spaces which surround it. This relationship between private and public lands and the natural spaces which define them is the first area to be considered in the series of sections which comprise the Comprehensive Property Analysis.

The environmental characteristics of the Cliff House-Sutro Baths area are as follows:

This property encompasses the beach and high ground immediately opposite Seal Rocks which lie just off shore. As such this property functions as an observation point for public viewing of Seal Rocks, the rocky shoreline, the crashing surf, and marine wildlife. This is one of the most dramatic natural amenities in the San Francisco landscape; a major attraction for citizen and tourist alike.

An observation point for viewing the entire length of San Francisco's ocean beach as far south as San Mateo County, and to the north for viewing the Golden Gate and the Marin Headlands open space.

A strategic segment of a large land form which rises abruptly at the north end of San Francisco's ocean beach and as such functions as a physical terminus to the flat expansive beach area and a transition into the higher land form known as the San Francisco Headlands.

The vital hinge point where the San Francisco ocean shoreline turns sharply from its northerly direction to an easterly direction and thus proceeds to define the strait of water known as the Golden Gate.

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A major element representing the extreme southwest portion of the San Francisco Headlands which define the Golden Gate and both physically and visually complement the Marin Headlands across the Golden Gate.

This property is completely surrounded by permanent public open space, and as such has a major effect on the use potential of the public park lands which abut it.

This property is located between the Ocean Beach and public open space to its rear, and thus provides physical access to the beach as well as scenic views from the public open space out to sea, both of which could be lost.

This property is the only privately-owned, commercially-zoned property on San Francisco's shoreline from San Mateo County to Aquatic Park.

Site Analysis

This section of the Comprehensive Property Analysis is the Site Analysis, which will study more closely the physical characteristics of the property within its own boundaries.

The monumental characteristics of this site lend themselves to a dramatic and unique resource for public use and enjoyment. Such a unique public resource becomes increasingly vital when it is located within a dense urban center like San Francisco.

The site characteristics of this property are as follows:

The site is located at the extreme westerly edge of the San Francisco Headlands, where this land mass plunges into the Pacific Ocean.

The general orientation of the site is outwardly toward the Pacific Ocean and Seal Rocks located just off shore.

The site is, in a sculptural sense, composed of three major physical elements; two promontories and the shoreline indentation which these promontories define. The two promontories are the Cliff House promontory and the Point Lobos promontory. The indentation which they define is the bowl-shaped area where the Sutro Baths were previously located.

A fourth subordinate physical element is the large rock, known as Flagstaff Rock, which is physically connected to the beach by a causeway.

The major man-made element on the site is the Cliff House development located on the Cliff House promontory, also oriented outwardly toward the ocean.

The general impression of the site is one of being close to, yet high above, the crashing surf. This is due to the extreme steepness of the site.

The surface of the site slopes very abruptly toward the ocean. In several areas of the site this sloping is in the form of precipitous rock cliffs.

The highest point on the site is 120 feet above sea level in the extreme easterly portion of the property, to the rear of the natural bowl area. The highest point on the Cliff House promontory is approximately 90 feet above sea level, and on the Point Lobos promontory, approximately 110 feet above sea level.

A natural sand beach is located at the open, seaward end of the bowl area between the two large promontories. The remainder of the shoreline of the site is extremely steep and rocky, and generally inaccessible.

There are three water elements contained within the site. Two spring-fed fresh-water reservoirs are located high in the rear portion of the bowl area. At the bottom of the bowl area are located the remnants of the Sutro Baths, which had previously been contained inside a protective structure, but which, since the destruction of this structure by fire, are now exposed to view. All three of these water elements have a definite man-made appearance.

Other man-made elements in the site are the large observation platforms located atop Point Lobos promontory. These observation platforms are then linked to the remainder of the site by a rough system of paved and unpaved trails.

These are two large tunnels which pass beneath the mass of the Point Lobos promontory. These are accessible from the bowl area and at the other end open out to excellent views of the Golden Gate and Marin Headlands.

Within the site there is a minimal amount of plant material cover, due generally to the rugged physical and climatic character of the site.

Foldout

Property Analysis

The next section of the Comprehensive Property Analysis is the Property Analysis, which describes the specific real estate characteristics of the privately-owned parcel.

The real property characteristics of the parcel taken as a total entity are as follows:

The property is located directly on the Pacific Ocean along a portion of San Francisco's ocean shoreline, in the vicinity of Point Lobos.

The boundaries of the entire privately-owned property are as follows:

Seal Rocks Beach State Park to the northeast.
Lincoln Park (City park) to the east.
Point Lobos Avenue Sutro Heights Park (City park) to the south.
Pacific Ocean to the west and northwest.

The property is basically gourd-shaped in configuration, with the Cliff House development occupying the narrow portion of the property at the base of Sutro Heights Park. The larger northerly portion of the property was previously the location of the Sutro Baths.

The property contains a total area of approximately 12.5 acres, and contains approximately 2100 feet of ocean shoreline frontage.

The existing improvements on the property are as follows:

Cliff House Restaurant located on parcel 1b (Lot 8)
Gift Shop located on parcel 1b (Lot 8)
Louis' Restaurant located on parcel 3 (Lot 18)

The present property lines are arbitrary and bear little relationship to the topography of the site.

The total property is composed of four parcels in three private ownerships. These are delineated in the Property Analysis Map on the following page.

The private owners of the four properties are as follows:

Property 1a	(Lot 16)	- Cliff House properties
Property 1b	(Lot 8)	- Cliff House properties
Property 2	(Lot 20)	- Sunalex Limited partnership
	(Lot 21)	- Alexander Land Co.
Property 3	(Lot 18)	- Western Title Insurance Co.

Foldout

Cliff House · Sutro Baths Property Analysis

Property	Block	Lot	Area	Zoning	Planning Restrictions	Existing Improvements	Net Income (1966) △	Owner
1a	1313	16	2.44 AC.	C-2	40 ft. * Height Limit	None	None	Cliff House Properties
1b	1313	8	2.06 AC.	C-2	40 ft. * Height Limit	Cliff House Restauront Museum & Gift Shop	$111, 260	Cliff House Properties
2	1313	20/21	4.71 AC.	C-2	40 ft. * Height Limit	None	None	Sunolex Limited Portnership / Alexonder Lond Co.
3	1313	18	3.37 AC.	C-2	40 ft. * Height Limit	Louis' Restouront	n. o.	Western Title Insuronce Co.

Note: * Interim Height Limit expires May 5, 1968

△ As derived from Real Estate Prospectus; Caldwell, Banker & Co., Real Estate Agents

Use Analysis

The purpose of this section is to consider the use of this property relative to developmental potential and public need.

The uses which have developed on this property are directly related to the strong physical character of the site. Historically these uses, though commercially developed, have been of a recreational and semi-public nature. As such, the resources of this property have always been part of the semi-public domain and readily available to the people of San Francisco.

This relationship between private commercial development and public use currently remains in effect in the Cliff House portion of the property. Here such leisure activities as dining in a unique and dramatic setting, viewing of Seal Rocks, nature photography, fishing and beachcombing are readily available to the general public.

Because of this stimulating combination of recreational activity and physical setting, this area is widely regarded as one of San Francisco's foremost attractions, being visited by thousands of tourists each year.

This area also possesses great historical importance and is highly regarded in such a light by all San Franciscans.

In the past, the fact that this area was not publicly owned seemed of minor significance since the prevailing use was of a commercial-recreational nature and public access was not limited. However, the question of future development of this area will be more directly governed by developmental objectives and controls over the utilization of this areas's resources.

Here the dichotomy between desirable use and developmental potential, as permitted by present zoning, may significantly reduce the amount of public benefit derived from the unique resources of this area.

Current Status

This final section of the Comprehensive Property Analysis will consider the current developmental status of the privately owned properties.

The developmental potential of these properties is controlled primarily by type and degree of land development permitted under existing zoning control.

The present C-2 zoning permits medium density residential uses as well as retail businesses and services. Under C-2 zoning, the greater part of the site area can be developed to the density permitted in the R3.5 zoning district; one dwelling unit for each 600 square feet of lot area.

The City Planning Commission, on June 30, 1966, adopted a policy of discretionary review of any proposed building over forty (40) feet in height in a C-2 district in the Cliff House-Sutro Baths, or Playland areas (Resolution No. 6011) pending a comprehensive study of the future development of these areas.

On April 3, 1967 the Board of Supervisors enacted a further developmental control over the entire ocean beach area which includes this property. This control is Ordinance No. 96-67, City Planning Code amending Section 251, a forty foot special heigh limit district in the ocean beach area. This special height limit is an interim control in effect for one year from May 5, 1967 to May 5, 1968.

Without this special height limit in effect, the height of commercial developments is governed only by the floor area ratio, which permits, for example, hotel or office towers on this property.

Despite the controls which have been placed on the development of the property, the private owners have proceeded with plans for the development of their properties.

Design consultants for the developers of parcel 3 (Lot 18) are presently in the working drawing stage and expect to begin construction on February 1, 1968. Soil borings are presently under way on this particular property.

Public Necessity

Public Necessity

The Cliff House-Sutro Baths area possesses a monumental character and identity which is not to be found within the limits of any other major city in the United States.

This natural character has combined with various scenic and recreational activities to produce a totally unique San Francisco landmark.

The present commercial zoning of this property, however, introduces an element which could potentially destroy the character and recreational value of this landmark, by limiting public access and blocking views of points of scenic interest.

THEREFORE, PUBLIC OWNERSHIP OF THIS IMPORTANT AREA SEEMS BOTH APPROPRIATE AND NECESSARY TO THE PUBLIC INTEREST IF THIS LANDMARK IS TO BE PROTECTED AND ENHANCED.

This property is the only parcel of privately-owned, commercially-zoned property on San Francisco's shoreline from San Mateo County on the south to Aquatic Park on the north.

Private commercial development seems disruptive and inappropriate. Further, if private development were permitted, there is nothing to guarantee any form of mutual compatability between the three commercial developments, regardless of the over-riding relationship to the surrounding public open space. Indeed, the three private developments could be quite chaotic in and of themselves.

Developmental controls available to City Planning agencies, regarding avoidance of unfortunate and chaotic private development, are less effective than would be desirable for controlling the development of this unique oceanside site.

By comparison, public ownership and park development would relate totally and compatibly with the surrounding open space and thereby provide the opportunity for development of a comprehensive planning guide giving overall direction for the logical and most beneficial development of the entire San Francisco ocean shoreline.

Recreational studies indicate that within the coming years, the greatest increase in recreational demand will be on the recreational open space facilities close-in to the urban centers. Therefore, there is a major need to increase open space resources, within or immediately adjacent to the population centers.

Private commercial development would make this unique site available only to those residents of the commercial development. This situation is far from that which would be most desirable and beneficial to the public welfare.

By comparison, public ownership would increase the open space resource base within San Francisco and would permanently guarantee to all the people of San Francisco the right of access and recreational enjoyment.

In keeping with recognized planning effort to increase the open space resource base within dense urban centers, efforts should be made to effectuate those officially adopted plans which already call for this site as permanent public open space. Applicable plans are as follows:

San Francisco Land Use Plan
ABAG Regional Open Space Plan
State of California Open Space Plan
California Coastal Scenic Redwood Road System

Preliminary proposals for a San Francisco Scenic Parkway System have both indicated potential route locations along the San Francisco ocean shoreline and through the San Francisco Headlands open space above the Golden Gate. The site with which this study is concerned, represents a major element in this scenic corridor. Steps toward protection of the potential scenic corridor should be taken now so as to avoid the unfortunate intrusion of potentially incompatible land use development along a parkway route.

Foldout

Recommendation

Recommendation

In order to protect the public interest in regard to the development of this valuable property and to insure its perpetual availability as a recreational resource and source of enjoyment to all the people of San Francisco, the Department of City Planning hereby recommends the earliest possible acquisition of this entire property by the City and County of San Francisco.

It is further recommended that once acquired by the City, this property be transferred to the Department of Recreation and Parks and incorporated and developed as a segment of an overall San Francisco Headlands Park.

Priorities in regard to order of City acquisition are as follows:

A Immediate acquisition of the entire property (parcels 1a, 1b, 2 and 3).

B Immediate acquisition of parcels 1a, 2 and 3 with subsequent acquisition of parcel 1b under an option to buy agreement with the present owner.

C Immediate acquisition of parcels 1a, 1b and 3 with subsequent acquisition of parcel 2 through condemnation procedures.

Recommended Effectuation Procedure

A Presentation of Cliff House-Sutro Baths Acquisition Study to City Planning Commission.

B Recommendation by Department of City Planning staff for immediate City acquisition of entire privately-owned property at Cliff House-Sutro Baths area and subsequent development as a naturalistic seaside park.

C City Planning Commission resolution affirming City acquisition recommendations and recommending to the Recreation and Parks Commission, and the Board of Supervisors that City acquisition be accomplished as soon as possible in the interests of public welfare.

D City Planning Commission resolution recommending to the Board of Supervisors that a supplemental appropriation be granted to pay the Real Estate Department for conducting a final appraisal of property value.

E Presentation of Cliff House-Sutro Baths Acquisition Study to Recreation and Parks Commission, and to the Board of Supervisors by Department of City Planning staff.

F Resolution of intent to purchase the entire privately-owned property by the Recreation and Parks Commission, and the Board of Supervisors, in that order.

G Definition and commitment of City acquisition funds for fifty percent (50%) of the total acquisition cost, subsequent to final appraisal of property by Real Estate Department.

H Board of Supervisors resolution granting supplemental appropriation to pay for property appraisal by the Real Estate Department.

I Authorization by Board of Supervisors for Recreation and Parks Department to submit application for open space acquisition funds to the appropriate Federal agencies.

J Anticipated Federal approval of San Francisco application for open space acquisition funds.

K Resolution by Board of Supervisors authorizing Real Estate Department to purchase the property.

L Receipt of Federal open space funds for acquisition of the property.

M City acquisition of the private property by Real Estate Department.

Real Estate Analysis

The purpose of this section of the report is to study more closely the mechanics and procedures of the acquisition phase of this project.

The privately-owned property concerned is divided into four (4) separate parcels under three (3) ownerships.

Parcels 1a, 1b and 2 were recently listed on the open market with Coldwell, Banker and Company, exclusive real estate agents for this property. This listing was on the open market from approximately October 1966 to September 1, 1967. At that time these properties were temporarily withdrawn from the open market (for the month of September with a subsequent extension) pending joint venture planning studies. However, the Real Estate Cost Analysis chart which follows indicates the owners' most recent asking prices before temporary withdrawal of the listing.

The owner of parcel 3 has been contacted by the Department of City Planning and advised of City interest in acquiring the property. This owner does not seem adverse to City acquisition, but does request early City action one way or the other in this regard.

The cost breakdown on an individual parcel basis is listed in the Real Estate Cost Analysis chart which follows this section.

The Real Estate Department has made a preliminary estimate of value for the entire property at approximately $5,000,000 (dated September, 1967).

For the time being this preliminary estimate of value may serve as a general guideline for estimated acquisition cost. However, application for Federal open space acquisition funds requires one and possibly two detailed final appraisals of property value.

A final appraisal by the Real Estate Department could serve as one of the appraisals. The Real Estate Department appraisal would require approximately two months preparation time and would cost approximately $3500 on a work order basis. A second real estate appraisal, if required, could be conducted by a private appraisal firm.

A second acquisition cost guideline can be derived by conversion of the City Assessor's assessed evaluation, which provides an estimated fair market value. The total cost estimate derived by this method is approximately $3,800,000.

Cliff House · Sutro Baths
Real Estate Cost Analysis

Property	Block	Lot	Taxes (1967-68) ◊	Fair Market Value by parcel ⊘	Fair Market Value Total ⊘	Preliminary Estimated Value ●	Appraised Evaluation ♦	Asking Price	Owner △
1a	1313	16	$ 12,892.00	Land: $ 586,000 Imp: —	$ 3,792,100	$ 5,000,000	To be determined	$ 2,500,000 ▲ / $1,750,000	Cliff House Properties
1b	1313	8	$ 33,000.00	Land: $1,000,000 Imp: 500,000					Cliff House Properties
2	1313	20/21	$ 18,073.00	Land: $ 821,500 Imp: —				$3,000,000	Sunalex Limited Partnership / Alexander Land Co.
3	1313	18	$ 19,461.20	Land: $ 879,500 Imp: 5,100				n.a.	Western Title Insurance Co.

NOTES:
- ● As determined by Real Estate Department (September 1967)
- ⊘ As determined by City Assessor (1967-68)
- ▲ Option to buy available upon purchase of other half of property
- △ Source: July 1967 Assessment Roll
- ♦ As derived from Coldwell, Banker; Real Estate agents for Owner
- ◊ As derived from Tax Collector (Secured Roll)

Funding

The sources of funds for acquiring this privately-owned property are in two general categories:

A Local funds.
B Federal open space acquisition funds.

Each of these categories must represent fifty percent (50%) of the total acquisition cost.

The sources of local City funds are as follows:

1 Bond Issue

2 Advalorem tax

a Annual Budget request
b Supplemental Appropriation request

3 Private Contribution

4 State Acquisition

5 National Acquisition

The sources of Federal open space acquisition funds are as follows:

1 Land and Water Conservation Fund Act through the State Department of Parks and Recreation to the Bureau of Outdoor Recreation (Secretary's Contingency Fund).

2 Federal Open Space grant under "Title VII of the Housing Act of 1961" through Department of Housing and Urban Development.

The Bureau of Outdoor Recreation regional office in San Francisco has studied the case in regard to supplying Land and Water Conservation acquisition funds. Representatives of this Federal Bureau have completed a site inspection report on the property concerned. The findings and recommendations of this report are not available as public information at this time. However, staff of the regional office of the Bureau of Outdoor Recreation have informally expressed support of this project.

Potential Development

Potential Development

Generally the potential development of this property is recommended to be of naturalistic seaside park nature.

This development should be related to the overall consideration of a comprehensive open space plan for the entire San Francisco Headlands and Ocean Shoreline areas.

Upon accomplishing City acquisition of this property, it is recommended that a use analysis and development study of the entire area be conducted by the Recreation and Parks Department and the Department of City Planning. The recommendations of this study should then be submitted for approval to the following official bodies:

Art Commission
Recreation and Parks Commission
City Planning Commission
Board of Supervisors

Foldout

City and County of San Francisco

City Planning Commission

The principal staff contributor to this report was
Robert L. Ward, Assistant City Planner.